



TAX CUT ENTENTION = FILING DELAYS

The IRS announced that certain taxpayers will not be able to file their individual tax returns until mid to late February this year. Taxpayers affected are those who will file Schedule A (itemized deductions) claiming the sales tax deduction or excess educator expenses. Also, those returns claiming the college tuition and fees deduction are effected as well. Congress only passed the legislation to extend these tax cuts in late December and the IRS needs time to retool and reprogram their processing systems to accept the changes. This office is prepared to handle the filing requirements prescribed.



Newsletter Spotlight

Filing Delays
2% Raise
No Changes
Order Life Lock

DID YOU NOTICE A PAY INCREASE ?

With the enactment of the Tax Relief, Unemployment Insurance Reauthorization , and Job Creation Act of 2010, employee social security tax withheld from your pay is reduced by 2%, (from 6.2% to 4.2%), resulting in a higher take home pay. If you have not noticed the difference yet, employers have until January 31, 2011 to begin using the new withholding tables.

NEW CHANGES EFFECTING YOU

Every year the Internal Revenue Service revises the standard deductions and exemptions that taxpayers can claim on their returns. Typically, they change every year, and are tied into inflation or other factors. As I mentioned in an earlier edition, no major changes were anticipated this time around because of no or low inflation in 2010. Hence, the standard deduction for all taxpayers with the exception of those claiming Head of Household remain the same. H of H will have a 50.00 increase, Married Filing Joint remains at \$ 11,400.00. Other changes of interest is the Standard mileage rate set at .50 cents for business travel, .16 1/2 cents for medical and .14 cents for charity. The Low Cost per diem overnight travel rate was set at \$ 160.00 / day effective October 1, 2010.

REMINDER - THIS OFFICE NOW OFFERS LIFELOCK

Through Money Concepts, we now have the ability to offer you identity theft protection through Life Lock (www.lifelock.com) at a discounted rate (starting at \$7.95/mo). This not only includes their advertised \$1,000,000.00 "Service Guarantee," but also includes free enhanced road side assistance (better than AAA), emergency travel assistance (when over 100 miles from home), and 9 free legal services per year (including a free simple will, with annual reviews for free). A great value even for the Life Lock protection alone.

Contact our office with any questions you may have.